(b) The sharp reduction in the current deficit in 1991-92 from the level recorded in 1990-91 reflects the effects of the import compression measures put in place as part of the adjustment strategy to counter the effects of the payments crisis which followed in the wake of the Gulf war of 1990. During the year 1993-94, according to the partial data available, the distinct narrowing of the current account deficit mirrors the strong improvement in the merchandise trade balance brought about by a robust growth in exports and sluggish import demand.

(c) The invisibles account is estimated to have recorded a deficit of US $ 92 million during the first half of 1993-94 which is significantly lower than the deficit of US $ 336 million during April—September 1992.

Balance of Payment

5441. SHRI PRAKASH YASHWANT AMBEDKAR : Will the Minister of FINANCE be pleased to state :

(a) how Government monitory country's Balance of Payment position;

(b) what are the norms prescribed for the management of country's balance of payment;

(c) whether I.M.F. and World Bank are satisfied with the performance of various components of country's balance of payment; and

(d) if so, their reaction ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) and (b) The Reserve Bank of India is principally responsible for monitoring and analysing the country's BOP position. Developments in various components of the country's balance of payments are kept under close monitoring by the Ministry of Finance in coordination with the RBI with a view to maintain its continued viability and permit the required policy intervention.

(c) and (d) The I.M.F. has expressed satisfaction over the performance of India's balance of payments. As the country's balance of payments has imporoved considerably we do not expect any dissatisfaction from the World Bank either on this account.

Debt Service Commitments

5442. SHRI PRAKASH YASHWANT AMBEDKAR : Will the Minister of FINANCE be pleased to state :

(a) the debt service commitments during the Eighth Five Year Plan, yearly;

(b) whether it is a fact that debt servicing is expected to peak in the year 1996-97;

(c) if so, how Government propose to meet the situation, as debt service consumes 54 per cent of revenue receipts;

(d) whether Government have prepared any strategy to face the situation arising out of higher debt servicing by the end of the Eighth Five Year Plan; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) and (b) The debt service commitments during the first three years of the Eighth Five Year Plan are as under :—

(Rs. crores)

	1992-93	1993-94	1994-95
	(Actuals)	(RE)	(BE)
1. Repayment debt (excluding 91 days Treasury Bills, Reserve Funds and deposits not bearing interest and suspense transactions)	38457	48412	63637
2. Interest payments	30968	37500	46006
	69425	85912	109631

The debt service requirement for the remaining years of the 8th Plan viz. 1995-96 and 1996-97 will depend on the size of the total debt emerging at the end of the respective preceding financial years.

(c) to (e) The interest payment in BE 1994-95 estimated at Rs. 46,000 crores works out to 53.4% of revenue receipts of Rs. 86,084 crores (net to Centre). Increase in debt servicing requirements is basically due to increased borrowings resorted to by the Government to meet the gap in revenue receipts and total expenditure. Government will endeavour to limit further borrowings at the budgeted levels by controlling expenditure and maximising receipts.

Abolition of redundant posts between SO and JS

5443. SHRI RAM DEO BHANDARI : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that in DGET, Ministry of Labour, there are certain administrative branches which deal with subordinate offices;

(b) if so, whether Government are also aware that there are certain intermediatory officers in between the branches and the Joint Secretary, before the cases relating to administrative work comprising application and interpretation of Civil Services Rules are processed;

(c) whether any study has been made by the S.I.U. of the Ministry in the matter and the redundant posts identified; and

(d) if so, by when these posts are likely to be abolished ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) and (b) Yes Sir.

(c) and (d) As per the staffing assessment of the Dte. General of Employment & Training (HQS) made by the Staff Inspection Unit of the Ministry of Finance in the year 1987-88, cut of the then existing strength of 475 posts, 53 posts were required to be abolished and the orders for abolition of posts were issued in the months of March-April, 1989. One more post in the Data Processing Unit was abolished in the year 1991 in pursuance of the SIU's recommendation in a subsequent stuy. Subsequently, as a result of the work measurement study and method study conducted by SIU, on which agreement was reached between DGET and the SIU, 10 more posts were abolished during the years 1992 and 1993.

Drug Mafias in Pakistan

5444. SHRI MATANG SINH : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the news-item appearing in the 'Hindu' dated 4th April, 1994 under the heading 'Militants have a hand in Pak-backed drug trade' and if so, what are the details of the drug mafias in Pakistan and the number of Sikh/Kashmiri militants who have been found to be extending cooperation with Pakistan mafia and the names of the area where smuggling of drugs is currently concentrated; and

(b) whether Government are aware that the sale proceeds of narcotics are being used by the underworld elements in Pakistan to purchase sophisticated weaponry which are passed on to militants in India through intelligence channels and if so, what are the details thereof and what action has been taken to eliminate this narcotic gang from the Indian soil?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Yes, Sir. However, no specific details about drug mafias in Pakistan and links with militants are available. Areas along Pakistan border in Punjab, Jammu & Kashmir, Rajasthan and Coastal area of Gujarat are vulnerable to smuggling of drugs.

(b) We have evidence about the use of sale proceeds of narcotics by underworld elements of Pakistan.

The following steps have been taken to curb drug trafficking from across the border :—

Strict instructions have been issued to all law enforcement agencies to maintain utmost vigil and step up enforcement efforts under the stringent provisions contained in Various Acts. Training is being imparted to officers to improve their effectiveness. A part of the Indo-Pak border has been fenced. Vehicles and communication equipments have been provided to the enforcement agencies. field level contact